

have its crucial reconstruction funds on judicial hold while lawyers argue and courts decide such legal assertions.

Moreover, section 1083 would permit plaintiffs to obtain liens on certain Iraqi property simply by filing a notice of pending action. Liens under section 1083 would be automatic upon filing a notice of a pending claim in a judicial district where Iraq's property is located, and they would reach property up to the amount of the judgment plaintiffs choose to demand in their complaints. Such pre-judgment liens, entered before claims are tested and cases are heard, are extraordinary and have never previously been available in suits in U.S. courts against foreign sovereigns. If permitted to become law, even for a short time, section 1083's attachment and lien provisions would impose grave—indeed, intolerable—consequences on Iraq.

Section 1083 also includes provisions that would expose Iraq to increased liability in lawsuits. Contrary to international legal norms and for the first time in U.S. history, a foreign sovereign would be liable for punitive damages under section 1083. Section 1083 removes defenses common for defendants in the United States—including *res judicata*, collateral estoppel, and statutes of limitation—upon which the Iraqi government has relied. And section 1083 would attempt to revive a \$959 million judgment against the new democratic Government of Iraq based on the misdeeds of the Saddam Hussein regime.

Exposing Iraq to such significant financial burdens would weaken the close partnership between the United States and Iraq during this critical period in Iraq's history. If Iraq's assets are frozen, even temporarily, that could reduce confidence in the Iraqi dinar and undermine the success of Iraq's monetary policy. By potentially forcing a close U.S. ally to withdraw significant funds from the U.S. financial system, section 1083 would cast doubt on whether the United States remains a safe place to invest and to hold financial assets. Iraqi entities would be deterred from engaging in commercial partnerships with U.S. businesses for fear of entangling assets in lawsuits. Section 1083 would be viewed with alarm by the international com-

munity and would invite reciprocal action against United States assets abroad.

The adjournment of the Congress has prevented my return of H.R. 1585 within the meaning of Article I, section 7, clause 2 of the Constitution. Accordingly, my withholding of approval from the bill precludes its becoming law. *The Pocket Veto Case*, 279 U.S. 655 (1929). In addition to withholding my signature and thereby invoking my constitutional power to "pocket veto" bills during an adjournment of the Congress, I am also sending H.R. 1585 to the Clerk of the House of Representatives, along with this memorandum setting forth my objections, to avoid unnecessary litigation about the non-enactment of the bill that results from my withholding approval and to leave no doubt that the bill is being vetoed.

This legislation contains important authorities for the Department of Defense, including authority to provide certain additional pay and bonuses to servicemembers. Although I continue to have serious objections to other provisions of this bill, including section 1079 relating to intelligence matters, I urge the Congress to address the flaw in section 1083 as quickly as possible so I may sign into law the National Defense Authorization Act for Fiscal Year 2008, as modified. I also urge the Congress to ensure that any provisions affecting servicemember pay and bonuses, as well as provisions extending expiring authorities, are retroactive to January 1, 2008.

**George W. Bush**

The White House,  
December 28, 2007.

NOTE: An original was not available for verification of the content of this memorandum.

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### Digest of Other White House Announcements

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The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

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**December 22**

In the morning, at Camp David, MD, the President had an intelligence briefing.

**December 24**

In the morning, the President had an intelligence briefing.

During the day, the President had several Christmas holiday telephone conversations with members of the U.S. military.

**December 25**

In the morning, the President had an intelligence briefing.

**December 26**

In the morning, the President had an intelligence briefing. Later, he and Mrs. Bush traveled to the Bush Ranch in Crawford, TX, arriving in the afternoon.

**December 27**

In the morning, the President had an intelligence briefing.

In the afternoon, the President had a telephone conversation with President Pervez Musharraf of Pakistan to express his condolences for the assassination of former Prime Minister Benazir Bhutto.

The President declared a major disaster in Missouri and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe winter storms beginning on December 6 and continuing.

**December 28**

In the morning, the President had an intelligence briefing.

The White House announced that the President will welcome President Abdullah Gul of Turkey to the White House on January 8.

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**Nominations  
Submitted to the Senate**


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NOTE: No nominations were submitted to the Senate during the period covered by this issue.

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**Checklist  
of White House Press Releases**


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The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

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**Released December 26**

Transcript of a press gaggle by Deputy Press Secretary Scott M. Stanzel

Statement by the Deputy Press Secretary announcing that the President signed H.R. 366, H.R. 797, H.R. 1045, H.R. 2011, H.R. 2761, H.R. 3470, H.R. 3569, H.R. 3571, H.R. 3974, H.R. 3996, H.R. 4009, S. 1396, S. 1896, S. 1916, and S.J. Res. 13

**Released December 27**

Transcript of a press gaggle by Deputy Press Secretary Scott M. Stanzel

Statement by the Deputy Press Secretary on disaster assistance to Missouri

**Released December 28**

Transcript of a press briefing by senior administration officials on the "National Defense Authorization Act for Fiscal Year 2008"

Statement by the Deputy Press Secretary on the President's intention to veto H.R. 1585, the "National Defense Authorization Act for Fiscal Year 2008"

Statement by the Deputy Press Secretary: Visit by President Gul of Turkey to Washington

Fact sheet: National Defense Authorization Act Section 1083: A Danger to Iraq's Progress

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**Acts Approved  
by the President**


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NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.